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April 12, 2005

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When calling relative to this
matter, refer to file No. 1226.

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-9275

RE: **Hosston Zone,
Reservoir C
Ada Field
Bienville Parish, Louisiana**

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston Zone, Reservoir C, in the Ada Field, Bienville Parish, Louisiana:

1. To permit KCS Resources, Inc. to designate and utilize the Lathan Heirs 6 No. 1 Well as a substitute unit well for HOSS RC SUB at the exceptional location shown on the plat attached hereto and made a part hereof;
2. To permit Edward Oil Company to designate and utilize the L. Courtney No. 1 Well as an alternate unit well for HOSS RC SUB at the exceptional location shown on the plat attached heretof and made a part hereof;
3. To establish that designation of the proposed substitute and alternate unit wells as requested herein is necessary to facilitate the recovery of hydrocarbons underlying HOSS C SUB and to insure orderly development of said unit;

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4. To specifically recognize KCS Resources, Inc. and Edward Oil Company as the operator of their respective wells located on HOSS RC SUB, and to authorize said operators to separately report production from such wells to the Office of Conservation;
5. To authorize the unit allowable for HOSS C SUB to be recovered from either the substitute unit well or the alternate unit well, or any combination thereof, at the discretion of the operators;
6. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Hosston Zone, Reservoir C, in the Ada Field, Bienville Parish, Louisiana, is defined in the Office of Conservation Order No. 99 series of Orders.

The well bore of the L. Courtney No. 1 Well has been acquired by Edward Oil Company. KCS Resources otherwise owns right to the Hosston Zone, Reservoir C, underlying HOSS RC SUB. To facilitate the orderly development of HOSS RC SUB it would be in the interest of all concerned to designate the current wells located on HOSS RC SUB in the manner requested herein.

The subject matter of this application does not require the issuance of a pre-application notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Rick Deffenbaugh, KCS Resources, Inc., 7130 South Lewis Avenue, Suite 700, Tulsa, Oklahoma 74136-5489, telephone number (918) 491-4105.

The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to applicant after a diligent search and a copy of this notice, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the

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Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed is the application fee herein.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY


J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties

